NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

PAID UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this	22nd day of Dece	in ter	, 2008, by and between
Victor Manuel Rodriguez a	nd wife, Coleta O	riga	
whose addresss is 4805 Transam, DALE PROPERTY SERVICES, L.L.C., 2100 Refereinabove named as Lessee, but all other provision	CAS FOR NORTH TE COSS Avenue, Suite 1870 Dallas Te ns (including the completion of blank)	spaces) were prepared jointly by Les	as Lessor, ortions of this lease were prepared by the party sor and Lessee. s and lets exclusively to Lessee the following
ACRES OF LAND, MORE O	R LESS, BEING LOT(S)	14	, BLOCK
		ADDITION ADDITION ADDITION AT A COORDING TO THE PLAT RECORDS OF	, BLOCK // SON, AN ADDITION TO THE CITY OF THAT CERTAIN PLAT RECORDED TARRANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing 178 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.			
This lease, which is a "paid-up" lease required as long thereafter as oil or gas or other substances otherwise maintained in effect pursuant to the provise.	covered hereby are produced in payir	primary term of FINE g quantities from the leased premise	lyears from the date hereof, and for its or from lands pooled therewith or this lease is
3. Royalties on oil, gas and other substances separated at Lessee's separator facilities, the royal Lessor at the wellhead or to Lessor's credit at the outer wellhead market price then prevailing in the sale prevailing price) for production of similar grade of the wellhead market price then prevailing in the sale prevailing price) for production of similar grade of the continuing right to purchase such production then prevailing in the same field, then in the nearest nearest preceding date as the date on which Lessee the leased premises or lands pooled therewith are chydraulic fracture stimulation, but such well or wells be producing in paying quantities for the purpose of being sold by Lessee, then Lessee shall pay shut-in depository designated below, on or before the end of are shuf-in or production there from is not being sold by Lessee, then Lessee shall pay shut-in depository designated below, on or before the end of such operations or production. Lessee's failure to 4. All shut-in royalty payments under this least be Lessor's depository agent for receiving payments draft and such payments or tenders to Lessor or to address known to Lessee shall constitute proper payment hereunder, Lessor shall, at Lessee's reque 5. Except as provided for in Paragraph 3. aboremises or lands pooled therewith, or if all produpursuant to the provisions of Paragraph 6 or the nevertheless remain in force if Lessee commences on the leased premises or lands pooled therewith when end of the primary term, or at any time thereat operations reasonably calculated to obtain or restor no cessation of more than 90 consecutive days, arthere is production in paying quantities from the leased premises from uncompensated drainage by additional wells except as expressly provided herein 6. Lessee shall have the right but not the obdepths or zones, and as to any or all substances proper to do so in order to prudently develop or ope unit formed by such pooling for an oil well which is horizontal completion shall not exceed 640 acres placet or fo	in produced and saved hereunder shat by shall be \(\frac{b}{l} \) \(\frac{d}{l} \) \(\frac{d} \) \(\frac{d}{l} \) \(\frac{d}{l} \) \(provided that Lessee shall have the then prevailing in the same field, the asing head gas) and all other substances from the sale thereof, less a proporing or otherwise marketing such gas rice paid for production of similar qualifing price) pursuant to comparable price and (c) if at the end of the primary from its not being sold by Lessee, such payment of 90 consecutive days such well or overed by this lease, such payment in or before each anniversary of the dease is otherwise being maintained that-in royalty shall be due until the edder Lessee liable for the amount due or to Lessor's credit in at lessor's hip of said land. All payments or tendalis in a stamped envelope address tate or be succeeded by another instituted by the instrument naming another instituted payments or such different in the event this lease is not well or for drilling an additional well of ations on such dry hole or within 90 maintained in force but Lessee is the production of oil or gas or other such that the same production of oil or gas or other such that the same production of oil or gas or other such as a reasonably prudent operator word gruantities on the leased premises of interest therein word after the commencement of product similar pooling authority exists we exceed 80 acres plus a maximum at 0%; provided that a larger unit may be emitted by any governmental autho by applicable law or the appropriate entered and "gas well" means a producing conditions using standard and and and and and and and and and an	continuing right to purchase such production at en in the nearest field in which there is such a sistances covered hereby, the royalty shalt be tionate part of ad valorem taxes and production, or other substances, provided that Lessee shall ality in the same field (or if there is no such price burchase contracts entered into on the same or term or any time thereafter one or more wells on in paying quantities or such wells are waiting on the well or wells shall nevertheless be deemed to wells are shut-in or production there from is not to be made to Lessor or to Lessor's credit in the end of said 90-day period while the well or wells by operations, or if production is being sold by not of the 90-day period next following cessation, but shall not operate to terminate this lease. address above or its successors, which shall lers may be made in currency, or by check or by sed to the depository or to the Lessor at the last intuition, or for any reason fail or refuse to accept tition as depository agent to receive payments. It is the context of the season of the production of the said or otherwise obtaining or restoring production days after such cessation of all production. If at hen engaged in drilling, reworking or any other or more of such operations are prosecuted with bstances covered hereby, as long thereafter as ble of producing in paying quantities hereunder, and full under the same or similar circumstances or lands pooled therewith, or (b) to protect the to be no covenant to drill exploratory wells or any with any other lands or interests, as to any or all action, whenever Lessee deems it necessary or if the respect to such other lands or interests. The creage tolerance of 10%, and for a gas well or a set of formed for an oil well or gas well or horizontal rity having jurisdiction to do so. For the purpose governmental authority, or, if no definition is so a well with an initial gas-oil ratio of 100,000 cubic lease separator facilities or equivalent testing
equipment; and the term "horizontal completion" requipment; and the term "horizontal completion" recomponent thereof. In exercising its pooling rights Production, drilling or reworking operations anywh reworking operations on the leased premises, excent acreage covered by this lease and included in Lessee. Pooling in one or more instances shall no unit formed hereunder by expansion or contraction prescribed or permitted by the governmental author making such a revision, Lessee shall file of record leased premises is included in or excluded from the be adjusted accordingly. In the absence of production with the production describing the unit and station	means an oil well in which the horizor eans an oil well in which the horizor is hereunder, Lessee shall file of reco ere on a unit which includes all or a pt that the production on which Lesse the unit bears to the total gross acr t exhaust Lessee's pooling rights her or both, either before or after common mitten declaration describing the re- e unit by virtue of such revision, the properties of the date of termination. Pooling here the date of termination. Pooling here the table in any natt of the leased on the date of termination.	contal component of the gross com- tal component of the gross complet and a written declaration describing that any part of the leased premises sha or's royalty is calculated shall be that eage in the unit, but only to the exte eunder, and Lessee shall have the nencement of production, in order to to any productive acreage determine evised unit and stating the effective of roportion of unit production on which rupon permanent cessation thereco- termises, the royalities and shut-in roy remises, the royalities and shut-in roy	ion interval in labilities of equivalent easily ion interval in the reservoir exceeds the vertical re unit and stating the effective date of pooling. Ill be treated as if it were production, drilling or proportion of the total unit production which the ent such proportion of unit production is sold by ecurring right but not the obligation to revise any conform to the well spacing or density pattern lation made by such governmental authority. In that of revision. To the extent any portion of the provalties are payable hereunder shall thereafter Lessee may terminate the unit by filing of record inveyance of interests.

- 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's covereship shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved and failure of the transferred interest here of the transferred interest health and fights of arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to
- pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.
- It Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalites shall be propurationately reduced in accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises or except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lesser in the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment, services, makerial, water, electricity, fuel, access or easements,
- Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

 12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, whole or in rat unless Lessee is given a reasonable.
- there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or
- situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

 16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other contrary.
- operations
- operations.

 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

 DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on markets. conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotlate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's neirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) Colch Colo Circles 12 Bochuce 12-22-08

By: Victor Manuel Rodriguet **ACKNOWLEDGMENT** STATE OF COUNTY OF 2008. day of ___ by: Victor Martial MARIA MUNOZ PADILLA Notary Public, State of 1/14 Notary Public, State of Texas My Commission Expires Notary's name (printed): Notary's commission expires: October 05, 2011 TIXES STATE OF UNTY OF Tarra, H This instrument was acknowledged before me on the _ Colora UNTOLL day of December COUNTY OF Notary Public, State of LEYALS Dead Collection

Notary's name (printed)

y's commission expires:

MARIA MUNOZ PADILLA Notary Public, State of Texas My Commission Expires October 05, 2011

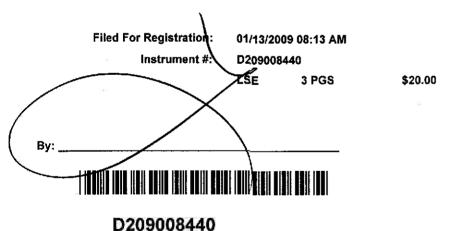


DALE PROPERTY SERVICES LLC ATTN: ANN VANDENBERG 2100 ROSS AVE, STE 1870, LB-9 DALLAS TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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